

AMENDED IN SENATE JUNE 21, 2012
AMENDED IN ASSEMBLY MARCH 29, 2012
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2551

Introduced by Assembly Member Hueso
(Coauthor: Senator Vargas)

February 24, 2012

An act to add Section 53395.26 to the Government Code, relating to local ~~planning~~ *government*.

LEGISLATIVE COUNSEL'S DIGEST

AB 2551, as amended, Hueso. Infrastructure financing districts: renewable energy zones.

Existing law authorizes counties and cities to form infrastructure financing districts, in accordance with a prescribed procedure, and requires that a district finance only public capital facilities of communitywide significance, as specified. Existing law authorizes a legislative body, by ordinance, to adopt an infrastructure financing plan and create the district with the full force and effect of law, if $\frac{2}{3}$ of the registered voters within the territory of the proposed district are in favor of creating the district.

This bill would authorize a legislative body to establish an infrastructure financing district in a renewable energy zone area, as defined, for the purpose of promoting renewable energy projects. The bill would exempt the creation of the district from the voter-approval requirement.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 53395.26 is added to the Government*
2 *Code, to read:*

3 53395.26. (a) *This section shall apply only to a city that*
4 *created and approved a renewable energy infrastructure area.*

5 (b) *For purposes of this section, the following terms shall have*
6 *the following meanings:*

7 (1) *“Renewable energy infrastructure area” means an area*
8 *that contains a proposed development project or projects that*
9 *would generate in total more than 10 megawatts of electricity*
10 *using an eligible renewable energy resource, as defined in Article*
11 *16 (commencing with Section 399.11) of Part 1 of the Public*
12 *Utilities Code, that is intended to be used for commercial*
13 *renewable energy production.*

14 (2) *“Commercial renewable energy production” means that*
15 *the project has an executed power purchase agreement for the*
16 *sale of the electricity from an eligible renewable energy resource*
17 *to a California retail seller, as defined by subdivision (j) of Section*
18 *399.12 of the Public Utilities Code, or a local publicly owned*
19 *electric utility, as defined by Section 224.3 of the Public Utilities*
20 *Code.*

21 (c) *Property tax increment collected from a district created*
22 *pursuant to this section shall be used only within the boundaries*
23 *of that district.*

24 (d) *In determining whether an area constitutes a renewable*
25 *energy infrastructure area, the legislative body may consider areas*
26 *that are not contiguous and may aggregate the total megawatts*
27 *of several areas.*

28 (e) *The legislative body of a city may use the provisions of this*
29 *chapter to form an infrastructure financing district in renewable*
30 *energy infrastructure areas for the purpose of promoting renewable*
31 *energy projects.*

32 (f) *The creation of an infrastructure financing district pursuant*
33 *to this section shall be exempt from the voter-approval requirement*
34 *in Section 53395.23. The legislative body shall comply with all*
35 *other applicable requirements of this chapter relating to the*
36 *financing of the infrastructure financing district.*

37 (g) *Notwithstanding any other law, This section is not intended*
38 *to interfere with, or prevent the exercise of, the existing authority*

1 of an agency or department to carry out its programs, projects,
2 or responsibilities to identify, review, approve, deny, or implement
3 any mitigation requirements, and this section shall not be construed
4 as a limitation on mitigation requirements for the project, or a
5 limitation on compliance with requirements under the California
6 Environmental Quality Act (Division 13 (commencing with Section
7 21000) of the Public Resources Code) or any other provision of
8 law.

9 ~~SECTION 1. Section 53395.26 is added to the Government~~
10 ~~Code, to read:~~

11 ~~53395.26. (a) This section shall apply only to a city that~~
12 ~~contains within its jurisdiction a renewable energy zone. To the~~
13 ~~extent of any conflict, the provisions of this section shall prevail~~
14 ~~over any other provision of law.~~

15 ~~(b) For purposes of this section, “renewable energy zone” means~~
16 ~~an area that is characterized by the proposed development of more~~
17 ~~than 10 megawatts of renewable energy projects, including, but~~
18 ~~not limited to, solar, wind, and geothermal projects, as determined~~
19 ~~by the legislative body. In determining whether an area constitutes~~
20 ~~a renewable energy zone, the legislative body may consider zones~~
21 ~~that are not contiguous and may aggregate the total megawatts of~~
22 ~~several areas.~~

23 ~~(c) The legislative body of a city may use the provisions of this~~
24 ~~chapter to form an infrastructure financing district in renewable~~
25 ~~energy zone areas for the purpose of promoting renewable energy~~
26 ~~projects.~~

27 ~~(d) The creation of an infrastructure financing district shall be~~
28 ~~exempt from the voter approval requirement in Section 53395.23.~~
29 ~~The legislative body shall comply with all other applicable~~
30 ~~requirements of this chapter relating to the financing of the~~
31 ~~infrastructure financing district.~~